

## HUGHES SAYS AID TO FARMING LEGAL

Declares it Duty of Government to Protect Nation's Food Supply.

### TAX EXEMPTION NECESSARY

Former Justice of U. S. Supreme Court Makes Powerful Argument Defending Constitutionality of Federal Farm Loan Act.

That the general welfare of the nation demands that the government shall encourage, aid and protect agriculture by whatever means and to whatever extent may be necessary to safeguard the nation's food supply, even though those means of aid and protection shall include the appropriation of government money and the extending of government credit, or even the lending of government money, was the contention of former Justice of the Supreme Court Charles Evans Hughes, when he appeared in the federal court at Kansas City as one of the attorneys to defend the constitutionality of the federal farm loan act.

#### Government's Duty to Aid Farming.

Mr. Hughes pointed out that from the earliest history of this nation there has been a continuous disbursement of public money in aid of agricultural development. He showed how, while congress had not attempted to operate farms and had not stepped into any state to legislate as to the use of farm lands, still congress had provided information, had disseminated instructions, had distributed seeds, and had supported in every manner which was deemed wise, the great national interest of agriculture. He told how the government had sought to protect agriculture from great pests such as the spruce moth, the brown-tail moth, the boll weevil, or even the grasshopper—kill for the general welfare.

He showed how the government had provided for the distribution of seeds of new and useful varieties and how it had provided for the introduction and protection of insectivorous birds and how it had provided also for the establishment and maintenance of laboratories for experiments in agricultural chemistry. He told how later the bureau of animal husbandry was established to study and to disseminate information as to the proper breeding and as to the diseases of domestic animals. He told later of how the weather bureau was taken away from the army and put in charge of the department of agriculture so that the farmers and all interested in the production and distribution of food might have comprehensive information as to rainfall and weather prognostications.

#### Protecting Nation's Food Supply.

From all this he reasoned that the government recognized it as a proper function of government to encourage, aid and protect agriculture, and he held that it was the duty of the government to guard against any shortage in the food supply of the nation. Therefore, he said, when this great underlying industry stood in need of funds for operation or for development, it was clearly the duty of the government and clearly within its rightful powers to provide the means by which the necessary funds could be placed at the disposal of those engaged in the cultivation of the soil.

"Here is a great activity," he said, "which has received financial support from the foundation of the government."

"Our position is that the federal government was competent in the application of money and investment of moneys in the stock of the federal land banks, to organize these banks and to invest moneys in their stock, to borrow money, and to loan money for these purposes, and to provide for the issue of bonds for these purposes. Being competent to do this, the government could organize whatever agencies were necessary and convenient and could authorize them to borrow to do this thing for the government."

#### Bonds Had to Be Exempt.

Mr. Hughes contended that as congress could create the land banks as corporations and clothe them with power to lend money and to issue bonds, the government could, of course, protect these corporations and these bonds issued by them from discussion or impairment by any action. He said that "as the power to tax was the power to destroy," the government, of course, had the right to exempt these bonds from taxation. And this rule, he said, had particular force in this case, as the bonds of these banks had to be sold in competition with other tax-exempt securities, and that without their being tax exempt money could not be secured for the farmers at low rates of interest. To help the farmer the rate had to be low, and to get the low rate the bonds had to be exempt from taxes.

### TO DESTROY POULTRY MITES

Crude Petroleum Found Quite Efficient in Tests of Large Series of Insecticides.

In tests of a large series of insecticides conducted by entomologists of the United States department of agriculture, it was found that a few thorough applications of crude petroleum to the interior of poultry houses will completely destroy mites.

## FARMERS TO OWN BIG LAND BANKS

George W. Wickersham Tells How Federal Institutions Will Be Taken Over.

### TO BUY GOVERNMENT STOCK

Eventually the Borrowers Will Acquire Complete Ownership of Banks Established Under Federal Farm Loan Act.

That the federal land banks and the joint stock land banks are important supplements to the national bank system and the federal reserve system was emphasized by former Attorney General George W. Wickersham in the federal court at Kansas City, where he appeared with Charles E. Hughes and W. G. McAdoo to defend the constitutionality of the farm loan act.

Mr. Wickersham, who with Mr. McAdoo, appeared as attorneys for the joint stock land banks, made very clear the exact service which the federal land banks perform and their exact relation to the financial system of the country. He also made clear in what respects the joint stock land banks differ from the federal land banks.

#### Protecting Small Borrower's Rights.

Both types of banks (federal and joint stock) were created by the government to provide aid for the agricultural interests of the country. Mr. Wickersham said that the government with wisdom and singular comprehension, had reached out to take care of every element of borrowers. Therefore the federal land banks were created to provide credit for small borrowers, and the joint stock land banks were created to provide a similar agency through which the larger borrowers among farmers might secure ample funds, without having to rely upon the funds which had been assembled for the use of the small borrowers, and without danger of depriving the small borrower of the very money which had been assembled for his particular use.

He pointed out how in the case of the establishment of federal land banks the government had subscribed to the stock of these banks as a temporary aid to the particular class of borrowers it was intended these banks should accommodate. But, he said, this was only a temporary aid and that the government had provided that the stock which had been subscribed by the government should be taken up eventually by the borrowers so that in the end, in a very short time, the small borrowers will own their own banks, that is, that the federal land banks will be privately owned in the end even as the joint stock land banks are now privately owned.

#### Federal Banks for Associations.

"The federal land banks do not lend to individuals," said Mr. Wickersham, "they lend to organizations of borrowers, who together must desire at least \$20,000, and who must organize themselves into a farm loan association, and they must subscribe to 5 per cent of the amount of the loan which they seek, in the stock of the federal land bank, as a condition to securing the loan."

"Provision is made that when these banks are set up, if within a limited time subscriptions are not made to the stock by others, the federal government, through the treasury department, shall take up the minimum amount of stock with which they are authorized to start business, to-wit, \$750,000.00. Then, as they proceed in their operation, as they loan to these associations, and as these associations subscribe to their stock, by and by, by the operations of the system, the stock which the government has taken is retired, and ultimately those banks come into the control of their stockholders."

#### Farmers to Own Banks.

"The federal government, as a stockholder, will pass out, and if the system be successful, after a certain length of time, the land banks will be owned by the various loan associations which are borrowing through the land banks, and they will go ahead on the impetus of private ownership."

"Having thus provided a system whereby this great scheme shall be launched and become at once operative and money shall become available to the farmers desiring it, the act also provides that there be created a different class of banks, namely, the joint stock land banks."

"Following the analogy of the national banks, the act provides that from the outset, these banks shall be organized by private individuals. The stock shall be subscribed by private individuals, and when \$250,000.00 is subscribed, then the bank may begin its operations."

#### Joint Stock Banks Controlled.

"Since the enactment of the law, 27 of such banks have been organized in different parts of the country, and they are set forth in the petition, and their aggregate capital is something more than \$5,000,000."

"Now despite the fact that these banks are privately owned, from the beginning of their operations, they and their operations are subjected to control. They are invested with the same powers, they are made subject to the same liability as are given to and imposed upon the federal land banks."

### LEGAL NOTICES

First Publication, Dec. 11, 1919—4w.  
NOTICE OF INCORPORATION  
Of the Goodwin State Bank, of Goodwin, Nebraska.

1. The name by which this corporation shall be known is Goodwin State Bank.
  2. The principal place of business of this corporation shall be at Goodwin, County of Dakota, State of Nebraska.
  3. The object for which this corporation is formed is to carry on a commercial banking business.
  4. The authorized Capital Stock of this corporation shall be Ten Thousand no-10 (\$10,000.00) Dollars, of which at least Ten Thousand no-100 (\$10,000.00) Dollars shall have been paid in at the time of commencement of business.
  5. The indebtedness of this corporation shall at no time exceed the amount of its paid in capital and surplus, except for deposits.
  6. This corporation shall begin business on the 1st day of October, 1919, or as soon thereafter as authorized by the State Banking Board of the State of Nebraska, and shall terminate on the 1st day of October, 1969.
  7. The affairs of this corporation shall be under the control and management of a board of directors consisting of not less than three nor more than five shareholders, whose term of office shall be for a period of one year, or until their successors are elected and qualified.
  8. The regular annual meeting of the stock-holders of this corporation shall be held on the 2nd Saturday of January each year.
  9. Each stock-holder shall at any regular or special meeting be entitled to one vote, either in person or by proxy, for each share of stock held.
  10. The articles of incorporation may be amended at any regular or special meeting called for that purpose by a two-thirds vote of all stock.
- J. C. DUGGAN,  
RAY F. QUINN,  
H. H. ADAIR,  
WILL HAYES,  
Incorporators.

**Catarrhal Deafness Cannot Be Cured**  
by local applications, as they cannot reach the diseased portion of the ear. There is only one way to cure catarrhal deafness, and that is by a constitutional remedy. Catarrhal Deafness is caused by an inflamed condition of the mucous lining of the Eustachian Tube. When this tube is inflamed you have a rumbling sound or imperfect hearing, and when it is entirely closed, Deafness is the result. Unless the inflammation can be reduced and this tube restored to its normal condition, hearing will be destroyed forever. Many cases of deafness are caused by catarrh, which is an inflamed condition of the mucous surface. Hall's Catarrh Medicine acts thru the blood on the mucous surface of the system.

We will give One Hundred Dollars for any case of Catarrhal Deafness that cannot be cured by Hall's Catarrh Medicine. Circulars free. All Druggists, etc.

F. J. CHENEY & CO., Toledo, O.

LET US PRINT IT FOR YOU



## You Wouldn't Do This— Would You?

Who would ever think of starting a fire in the kitchen range when the stove pipe was not up? You would not do such a thing, of course not.

Because you are too sensible to consider using a stove without a pipe we are sure you must be sensible in other matters as well. That is why, when you stop to think of it, you realize the telephone can't operate without sufficient funds to meet operating expenses.

The men and girls who make up the working force of this company have had their wages raised because we know they need more money to live on now than they did a couple of years ago. And the cost of all the products which go into the construction and repair of telephone lines has just about doubled.

Therefore, there is only one thing for us to do; get enough money to meet expenses. And, naturally, this money must come from subscribers—from the people who receive the benefit.



NEBRASKA TELEPHONE COMPANY

# Public Auction!

HAVING SOLD MY PLACE, I INTEND TO QUIT FARMING, AND WILL SELL AT PUBLIC AUCTION ALL MY PERSONAL PROPERTY LISTED BELOW, WITHOUT RESERVE, AT MY PLACE 3 MILES WEST OF GOODWIN; 3 MILES NORTHEAST OF WATERBURY, AND 7 MILES SOUTH OF PONCA, NEBRASKA, ON—

## Thursday, Dec. 18, 1919

SALE BEGINS AT 12:30 O'CLOCK SHARP.

HOT FREE LUNCH SERVED AT NOON.

### 12 head of Horses

- 1 Span of Buckskin Mares, 6 and 8 years old, wt. 2900.
- 1 span Gray Geldings, 9 and 12 yrs. old, wt. 2800.
- 1 Span of Gray Mares, 6 years old, wt. 3000.
- 1 Buckskin Horse, 8 years old, weight 1200.
- 1 span—Mare and Gelding—5 and 6 yrs. old, wt. 2600.
- 1 Buckskin Mare, weight 1000, with suckling Colt,
- 1 Gray Colt, coming 3 years old.

### 18 head of Cattle

- Nine Cows, Giving Milk.
- Three Yearlings.
- Five Calves.
- One White Face Bull.

### Farm Machinery, Etc.

- 3 Wagons.
- 1 Disc.
- 2 Riding Cultivators.
- One 14-inch Gang Plow.
- 2 Walking Plows.
- 1 Corn Planter, with 100 Rods of Wire.
- 1 McCormick Mower.
- One 20-foot Flexible Harrow.
- 1 Corn Sheller.
- 1 Bobsleigh.
- 1 De Laval Cream Separator.
- 2 Sets of Concord Harness.
- 1 Tank Heater.

### 56 Head of Duroc Shoats

- WEIGHING FROM 100 TO 200 POUNDS.
- ONE GOOD DUROC JERSEY BOAR, Wt. About 200.
- 1200 bu. of Corn.
- 400 bu. of Oats.
- 60 bu. German Millet Seed.
- 20 bu. of Potatoes.
- 10 Tons Hay in Stack.
- 10 Tons Alfalfa Hay.
- One Stack of Oat Straw.
- One Stack of Wheat Straw.
- 10 DOZEN RHODE ISLAND RED CHICKENS.

TERMS OF SALE—One years time will be given on bankable notes bearing 8 per cent interest. All sums under \$10, cash. No property removed from premises until settled for with the clerk.

## M. McTaggart, Owner

COL. E. F. RASMUSSEN, Auctioneer.

GEORGE SMITH, Clerk.